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## House of Representatives

### APPOINTMENT OF CONFEREES ON H.R. 333, BANKRUPTCY ABUSE PREVENTION AND CONSUMER PROTECTION ACT OF 2001

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 333) to amend title 11, United States Code, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

MOTION TO INSTRUCT OFFERED BY MS. BALDWIN

Ms. BALDWIN. Mr. Speaker, I offer a motion to instruct conferees.

The Clerk read as follows:

Ms. BALDWIN of Wisconsin moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the Senate amendment to the House bill (H.R. 333) be instructed to agree to title X (relating to protection of family farmers and family fishermen) of the Senate amendment.

The SPEAKER pro tempore (Mr. SUNUNU). Pursuant to the rule, the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentlewoman from Wisconsin (Ms. BALDWIN) each will control 30 minutes.

The Chair recognizes the gentlewoman from Wisconsin (Ms. BALDWIN).

Ms. BALDWIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, Chapter 12 bankruptcy protection was created to help farmers in crisis keep their family farms. H.R. 333 makes Chapter 12 permanent. While waiting for this comprehensive bankruptcy reform legislation, Chapter 12 has expired five times. Just during the current Congress, we have been forced to pass two extensions to Chapter 12. It is time to treat our family farmers with the respect that they have earned. Adjusting eligibility to more properly reflect the needs of real family farmers

would make a significant improvement to the underlying bill.

This motion on H.R. 333, the Bankruptcy Abuse Prevention and Consumer Protection Act of 2001 would instruct the House conferees to accept Senate language on Chapter 12 bankruptcy protection. The other body expanded the definition of family farmer to allow more family farmers to file under the protections of Chapter 12. These changes do three simple things to allow more of our family farmers to qualify for Chapter 12 bankruptcy protection.

First, the amendment will increase from \$1.5 million to \$3 million the amount of aggregate debt that may be accrued by the family farmer. This is necessary because many family farmers accrue more than the \$1.5 million in debt before filing for bankruptcy.

Second, the amendment will reduce from 80 percent to 50 percent the value of a family farm's aggregate non-contingent liquidated debts that must be related to the farming operation. Again, this expanded definition will allow for more families to keep their farms under chapter 12 rather than having to liquidate their farm assets.

Finally, under current law, the person or family must earn more than 50 percent of their gross income from farming in the year prior to bankruptcy. The amendment would look at one of the last 3 years prior to the bankruptcy rather than just the prior year. This change is very important because many farm families split their time between farm and other employment out of necessity. It is not at all unusual for one spouse to work on a nonfarm job to secure health or other benefits for the entire family. In a year prior to declaring bankruptcy, that nonfarm income may easily exceed farm-related income, since low prices and crop failures can dramatically reduce gross income in that year. Looking at one of the 3 years prior to bank-

ruptcy filing will keep true family farms from being denied chapter 12 relief.

During committee consideration, I proposed similar language to expand the definition of family farmer. The majority did not accept the amendment due to a desire to maintain the language negotiated by the Bankruptcy Conference Committee in the 106th Congress in an attempt to avoid a conference committee in this session. My discussions with the bill's author and others in the majority revealed no substantive objection to expanding this definition. Now that the other body has decided to include it in their version of the bill, I hope the House will incorporate it into the bill.

This motion also instructs conferees to accept the Senate language with respect to extending chapter 12 bankruptcy protection to family fishermen. Family fishermen face the same type of financial pressures that are beyond their control as family farmers do. They harvest the oceans like our family farmers harvest the land. Allowing family fishermen to reorganize their debts without losing their equipment that is essential to their livelihood will ensure the continued viability of our family fishermen.

Mr. Speaker, I urge my colleagues to vote in favor of this motion to instruct conferees to accept the chapter 12 positions from the other body. These commonsense amendments will improve the Bankruptcy Abuse Prevention and Consumer Protection Act of 2001 to protect some of the most vulnerable families in America and allow them to maintain their farms and their livelihoods.

Mr. Speaker, I reserve the balance of my time.

GENERAL LEAVE

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

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